

DIRECTOR OF CENTRAL INTELLIGENCE

Security Committee

SECOM-D-014

22 January 1980

MEMORANDUM FOR: Mr. David McCabe, Chairman
Investigative Standards Working Group

FROM:
Executive Secretary

SUBJECT: Response to Certain Recommendations
Made in A House Subcommittee
Staff Report Entitled "Security
Clearance Procedures in the Intelligence
Agency"

The Security Committee has authorized the Chairman to transmit the attached statement to the Subcommittee on Oversight of the House Permanent Select Committee on Intelligence.

The Chairman requests that the statement be reviewed by your working group as expeditiously as possible and that appropriate recommendations for Intelligence Community use be submitted to the Security Committee for its consideration and approval. As specifically noted, the working group should address items two, four, and five of the statement. In addition, because of its close relationship to the others, you should review item one from the standpoint of resource impact and submit recommendations or comments on that matter also.

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Attachment

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DIRECTOR OF CENTRAL INTELLIGENCE
Security Committee

SECOM-D-035

16 January 1980

Response to Certain Recommendations Made in
A House Subcommittee Staff Report Entitled
"Security Clearance Procedures in the
Intelligence Agencies" *

1. Standards for Access to Top Secret and SCI Should be Substantially the Same

The Security Committee concurs with this recommendation. ** Given the definitions of the terms Top Secret and Sensitive Compartmented Information, it is clear that they refer to matters of the highest sensitivity. It is equally obvious that the nation's interests require the highest practical degree of assurance that persons given access to such information can be depended upon to handle it properly. A Working Group of the Security Committee currently is completing an analysis of the effectiveness of the investigative standards of DCID-1/14. While the study shows that it may be possible to make some minor reductions in investigative coverage, the Working Group's preliminary findings clearly indicate that current standards of DCID-1/14 are both reasonable and effective. Moreover, the analysis strongly suggests that the DCID-1/14 standards should be augmented by certain additional procedures, such as the use of the polygraph process. The Security

* Published in September 1979 by the Subcommittee on Oversight, Permanent Select Committee on Intelligence, U.S. House of Representatives.

**See Page 9 for additional comments by DIA.

Committee recognizes that some agencies face serious resource problems and would have great difficulty in applying DCID-1/14 standards to Top Secret access investigations, at least in present numbers and with the current period of time necessary to complete investigations. Of the possible solutions to these problems, the reduction of DCID-1/14 standards to the level of current Top Secret standards clearly is not in the national interest. This leads inescapably to the conclusion that adequate resources must be applied to raising current Top Secret standards. The Security Committee believes that the standards of DCID-1/14 are effective and that, barring some minor revisions, they represent the least we can afford to do when it comes to highly sensitive information. The costs of meeting these standards must be accepted as a legitimate cost of doing business. Any savings should be sought in ways other than reducing the scope of investigation. The mandatory reduction of resources for the Defense Investigative Service in the past few years led directly to a reduction in standards of coverage for the Background Investigation that was conducted for Top Secret clearance. The Security Committee believes the Congress should consider the restoration of the necessary resources to enable DIS to meet acceptable standards for the Top Secret clearance.

2. Investigative Reports

The Security Committee strongly endorses the concept of a positive standard for the granting of access to the most sensitive information. In this sense, the standard of DCID-1/14, "The individual shall be stable, of excellent character and discretion and of unquestioned loyalty....," is of an order comparable to the standard of E.O. 10450, "... clearly consistent with the interests of national security..." The concept clearly anticipates that the decision to grant access shall be made on the basis of information suggesting positively that the individual is reliable. The mere fact that nothing "adverse" is known about the person, without some affirmative indication of trustworthiness, is a poor premise upon which to found a conclusion of such consequence. An inquiry which results in nothing known about the individual, good or bad, accomplishes little and gives a false sense of security. It tells nothing of the person's maturity, judgment, discretion, acceptance of responsibility or, for that matter, even whether he is who he says he is.

It is largely because of the need for positive information, which the standards require and logic dictates, that the Security Committee supports the concept of an investigation of sufficient scope and of such quality as to offer a reasonable level of assurance of the individual's trustworthiness even under adverse circumstances.

The immediate question here is how detailed a report of investigation needs to be to permit a reasonable assessment. It is recognized that the more detailed a report, the more costly it is to produce and that costs, or more precisely reduced budgets, are a significant factor to be reckoned with. We can accept, although not wholeheartedly, the possibility that trained investigators might be relied upon to perform "first echelon" adjudication, which is what "negative" or short form reporting amounts to. This practice, however, can present a number of difficulties while appearing to save funds. The most serious objection to it is that experience has more than amply demonstrated the value of full reporting and especially of positive reporting to the continuing personnel security program.

Every security access decision must be an overall common sense determination based on all available information, both favorable and unfavorable. The "whole person" must be measured against both negative and positive standards. Concentration on the negative aspects alone presents a skewed and unrealistic portrait of a person. Moreover, positive reporting is extremely valuable in any reinvestigation or updating program, and it is indispensable in any serious defensive, counterintelligence oriented personnel security effort. Moreover, it is critical to any attempt to conduct "post mortems" or analyses in the wake of serious personnel security failures.

Balancing the obvious value in full and positive reporting, especially in the more sensitive areas, against the marginal savings of short form or negative reporting, the Security Committee endorses the recommendation of the House Subcommittee and will amend DCID-1/14 to require investigative reporting to include the positive as well as the negative aspects of the finding of the investigations. *

* See Page 9 for DIA comments.

3. Conduct a Study To Validate The Accuracy Of The Polygraph

The Security Committee believes that the utility of the polygraph interview as a part of security processing has been demonstrated by empirical means, supported by the results from nearly forty-six thousand polygraph examinations conducted by CIA and NSA in the past five years. These practical results, plus more than thirty years' experience, make the use of the polygraph in security screening truly unique and indispensable. Indeed, the available evidence shows conclusively that the most revealing source of adverse information is a polygraph examination of the person who is applying for access. We are unable to obtain such complete, thorough, and detailed information from a background investigation alone. Favorable polygraph test results afford an important extra measure of security assurance. It should also be emphasized that the polygraph develops substantial positive information, and that the great majority of persons given the tests are approved for the access for which they have been processed.

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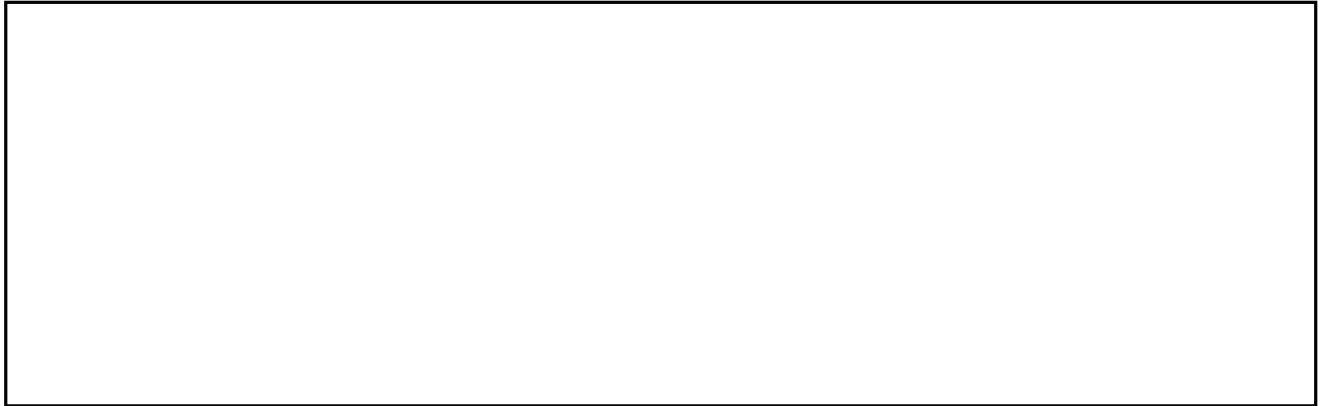
Polygraph examiners are selected on the basis of their education, maturity, interviewing skills, intelligence, and personality. Most are experienced investigators and after selection attend training courses on polygraph technique followed by at least six months of internship involving close supervision. Advanced polygraph training is given annually which usually consists of a full week of intensive study.

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The Department of Defense is currently pursuing the feasibility of conducting additional research into various aspects of the polygraph through the Office of the Under Secretary of Defense for Research and Engineering (OUSD(R&E)). CIA's current research is directed at possible improvements by the addition of distinctively new classes of sensors.

4. Establish Community-Wide Criteria For Use Of The Polygraph

The SECOM has tasked its Investigative Standards Working Group to consider establishing community-wide criteria for use of the polygraph in screening applicants for SCI access. It is envisioned that the Working Group would report its findings and conclusions to the SECOM by May 1980.

5. There should be (a) more uniform investigative procedures and (b) a central investigating facility for SCI access investigations

The Security Committee fully supports the desirability of uniform investigative procedures. Clearly, a central investigative facility would contribute significantly to a more uniform procedure. There are substantial reasons to believe, however, that a central facility may not meet the needs of the user agencies adequately. As the Subcommittee report notes, some member agencies currently use their investigators for multiple missions. It might seem to be more efficient to draw off the investigators to serve in a central facility devoted exclusively to special background investigations, but that could prove more costly in the long run if it required the maintenance of a staff to cope with the remaining missions, particularly those which are subject to peaks and valleys in demand.

It should be observed that centralization, even on a limited scale such as within the Department of Defense, has not proven to be an unqualified success. Testimony before the Subcommittee in the recent hearings revealed dissatisfaction with the quality and timeliness of reporting by the Defense Investigative Service. It would appear that the larger such a facility is and the more remote it is from its clients, the less able it seems to be to respond to individual agency priorities. Moreover, the larger and more centrally controlled it is, the more vulnerable it is to resource cuts imposed without adequate consultation or input by the user agencies.

The Security Committee will review the central investigative concept to examine costs in resources, in quality, and timeliness of reporting, impact on related missions, and alternatives to offset disadvantages. As part of our examination we will also explore intermediate solutions to the central problems of quality control and standardizations, the most promising of which may be central training facilities for both investigators and adjudicators. This task should be completed by May 1980.

6. Access to Criminal Justice Records

The Security Committee strongly endorses any efforts to make this type of information more accessible to the security clearance process. Studies have indicated that criminal history information is the most productive investigative source of the kind of information we can obtain concerning the character and trustworthiness of applicants for highly sensitive work. It is very clear that several jurisdictions in the United States are sharply curtailing our access to this data and others are beginning to follow suit. This trend, unless turned around or compensated for by some alternative investigative technique, undoubtedly will have a serious adverse impact on the intelligence community's ability to select reliable people for its sensitive positions. The initial problem concerns how best to resolve the ostensible conflict between legitimate privacy concerns and the awesome responsibility levied on the security offices of the intelligence community. Legislation or, at the very least, some expression of the sense of the Congress seems imperative at this point. A bill specifically addressing this particular matter and narrowly limiting it to security clearances, as distinguished from suitability for non-sensitive employment, is desirable.

The Security Committee is aware of the proposed legislation drafted by the HPSCI on November 5, 1979, generally endorses its precepts and urges its passage to permit investigative agencies to have access to certain criminal justice records that may otherwise be unavailable.

7. Resolve Inconsistencies Between the Attorney General's Guidelines and the Community's E.O. 10450 Needs

The SECOM agrees that there are inconsistencies among E.O. 10450, the Attorney General's Domestic Security Investigations Guidelines, and the 1974 Privacy Act, which preclude intelligence agencies from obtaining certain information which could be directly relevant to an individual who has been nominated for SCI access.

The standards of E.O. 10450, as well as those of DCID-1/14, require that any person granted access to highly sensitive information must be seen as motivated to use the information in furtherance of U.S. national objectives and to refrain from misusing it whether by intent or through negligence. The SECOM appreciates that in a normal context, many of an individual's activities are and must be protected from government scrutiny, and that the Constitution as well as several Federal statutes strictly govern such matters. The problem occurs, however, when a person seeks highly sensitive employment in order to further some organization's objective to penetrate the Federal Government or to acquire classified information for ulterior purposes, particularly with regard to espionage, subversion, or treason. What normally would be a Constitutionally protected activity now becomes an indication of the possibility the individual will violate his trust. Current guidelines, however, seem to prohibit the collection or use of such information with the result that intelligence community decisions concerning access to highly sensitive information are made at least partially in the blind.

How to resolve the dilemma is a particularly difficult prospect. The Current debate concerning the FBI Charter is probably the best forum for the problem's resolution. The guidelines offered in E.O. 12036 may also offer a basis for further study and eventual resolution.

ADDITIONAL COMMENTS

1. DCI Security Committee membership is composed of representatives from the following agencies:

Air Force
Army
Central Intelligence Agency
Defense Intelligence Agency
Department of Energy
Federal Bureau of Investigation
Justice Department
National Security Agency
Navy
State Department
Treasury Department

In addition, the following agencies are represented by observers:

Office of Deputy Under Secretary of Defense (Policy Review)
Office of Internal Security, Drug Enforcement Agency
Office of Investigations and Security, Commerce Department

2. All Security Committee members except DIA concurred in all seven statements. The DIA member wishes to defer judgment on statements one and two until his agency can evaluate the impact on DIS resources, results of the inter-agency survey on personnel investigations, and an OSD-sponsored test program on a new investigative approach for DIS.

3. A representative of the Office of the Deputy Under Secretary of Defense also responded but declined to contribute to this response because the House Subcommittee has not specifically requested such comments.

APPENDIX

VALIDITY AND THE RELEVANT - IRRELEVANT TECHNIQUE

ABSTRACTS OF RESEARCH

Blum, Richard H. and Osterloh, William "The Polygraph Examination as a Means for Detecting Truth and Falsehood in Stories Presented by Police Informants," Journal of Criminal Law, Criminology and Police Science 59 (1) (1968): 133-137.

Seventeen male and three female informants who had given information on criminal cases to local or federal agencies were selected and paid to engage in the experiment. Great care was taken to protect their identities and the fact that they were cooperating with the police, as their lives would otherwise be in danger. Some of the stories that the informants were to tell the polygraph examiner were true, some were false, and some were partly true and partly false. The true stories were those which had been provided to their handler on a previous occasion which had stood the scrutiny of investigation. A false story was one jointly invented by the officer and the informant, but they were compatible with the informant's ordinary role and opportunities, and contained credible information. True stories with false information followed the same rules as the true story with certain false information added with the joint agreement of the police officer and his informant. The false items were credible and compatible with the whole story, and the false items were important to the investigation, such as the name of an offender, the place where goods were hidden or fenced, etc. The story was first written, then rehearsed with the police handler.

Of nine stories that were all true, the examiner was correct in his diagnosis of all of them. No true stories were designated as false or partly false.

Of the eleven stories that were either partly or entirely incorrect, the examiner was correct in saying that each of these was either partly or wholly false. None of these were diagnosed as completely truthful.

In all, there were 106 statements to be checked for veracity. The examiner made four errors among the seven subjects who told stories that were only partly true. In two cases, the examiner made an error in judging a lie as the truth in one of the five elements of the partly true story. In one other case, the examiner made two errors among the five subsets, calling one truthful element deceptive and one deceptive element truthful. Of the 106 statements, made by twenty subjects, the examiner was correct in 102 (96.2%). The technique was relevant-irrelevant.

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Gustafson, Lawrence A. and Orne, Martin T. "The Effects of Task and Method of Stimulus Presentation on the Detection of Deception," Journal of Applied Psychology 48 (6) (December 1964): 383-387.

The study was designed to investigate the relative effectiveness of two different polygraph techniques, relevant-irrelevant and peak of tension. Subjects were given two RI and two POT tests. 29 were guilty, and 24 subjects had guilty knowledge. Only an electrodermal measure was scored for this research.

The RI method proved more effective in detection than the POT method when subjects were trying to deceive as to which item of information they possessed, in the guilty information paradigm. There was no significant difference in the effectiveness of the RI method of stimulus presentation between the guilty person paradigm and the guilty information paradigm. The POT method proved significantly less effective than the RI method in the guilty information paradigm, and significantly less effective in that paradigm than it was in the guilty person paradigm. In general, subjects found it easier to deceive in the guilty information paradigm where they could attempt to "appear guilty" on a non-critical item, especially in the peak of tension because they could anticipate the order of presentation of the items.

* * *

Eileen I. Correa and Henry E. Adams "The Validity of the Pre-employment Polygraph Examination and the Effects of Motivation." In Press, University of Georgia, Athens, Georgia, 1979.

Forty subjects took pre-employment examinations (RI technique). Half were to tell the truth, and half were to be deceptive to three of the nine questions. Recordings included respiration from a thermister probe at the nostril, EKG for heart rate, and electrodermal. A cardiosphygmograph was not employed.

The experimenter, in separating the truthful and untruthful subjects was correct in all cases, for 100%. Identification of lies, by subject, ranged from 68% to 100%. There were no cases in which a truthful person was called deceptive (false positives). All of the errors were in failing to identify a lie.

Lying responses were characterized by significantly larger increases in conductance in the electrodermal and larger decreases in heart rate, than the responses to telling the truth. Respiration showed no significance in these recordings.

An attempt to separate subjects by motivation, offering half of the group \$25.00 if they could deceive the examiner, showed no significance.

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Edel, Eugene C. and Jacoby, Jacob "Examiner Reliability in Polygraph Chart Analysis: Identification of Physiological Responses, "Journal of Applied Psychology 60 (5) (1975): 632-634.

Ten experienced examiners working independently on actual case charts involving responses to 2,530 questions from 40 polygraph interview cases were examined in detail.

Because each examiner made judgments of reaction or no reaction to each question, of which there were 2,530, on each of three channels, he made 7,590 decisions. The channels were cardiovascular, electrodermal, and respiratory. The agreement between the original examiner and a blind rater was 96% for cardiovascular, 95% electrodermal, and 96% for respiratory responses. In terms of total agreement between all examiners who read all of the charts, the agreement was 96% cardiovascular, 91% for electrodermal, and 96% for respiratory responses. The overall percentage of agreement for rater versus rater was 94%.

The technique was relevant-irrelevant. All of the examinations were screening cases. Of the total 22,770 judgments there

were 21,626 agreements for an overall agreement rate of 95%, including the examiner-rater and rater-rater combinations.

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MacNitt, Reginald D. "In Defense of the Electrodermal Response and Cardiac Amplitude as Measures of Deception," *Journal of Criminal Law, Criminology and Police Science* 33 (1942): 266-275

Professor MacNitt conducted 59 cases with the relevant-irrelevant (RI) technique that involved employees made available by the Columbus, Ohio Merchants Audit Bureau. Prior investigative results were withheld from him. There were employees whose honesty and integrity were above reproach, employees who had confessed to stealing goods and money, but were told to lie, and employees who were suspected of stealing and about whom there was quite a bit of evidence already in the possession of authorities. The latter group was expected to lie.

MacNitt said that his results were "correctly reported... and checked by confessions or the verifiable records of the employees, the operator failing only on a few minor details. In all of these 59 cases, the electrodermal response was the more accurate of the two employed." The other channel recorded cardiac rate and amplitude.

* * *

Hemsley, Gordon, Heslegrave, Ronald J. and Furedy, John J. "Can Deception be Detected When Stimulus Familiarity is Controlled?" Paper presented at the annual seminar of the Society for Psychophysiological Research, Cincinnati, Ohio, October 18, 1979.

Using a pre-employment test paradigm with relevant-irrelevant technique, ten male and ten female subjects were divided into two groups, one which was to be deceptive to some of the 20 items of biographical information supplied on application forms, and one group which was to be truthful about all of the biographical information on the forms. Because the stimulus familiarity was controlled, with all biographical information known to the subjects in advance, the issue was whether or not larger ANS responses would occur to deception alone. Skin conductance response was used to measure ANS responses.

The skin conductance response was significantly, $F=64.1$, greater for deceptive ($X = 2.28$ ohms) than for honest ($X = 1.40$ ohms) responses.

Neither an habituation effect nor a sex difference emerged. The experimenters concluded that the design allows the skin conductance response to detect, in the laboratory, "pure deception"

because that emotional arousal associated with question content, and enhanced stimulus familiarity or signal value associated with the relevant alternative, have been eliminated as confounding sources.